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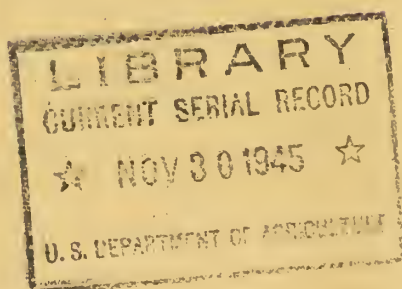
# Foreign Crops and MARKETS



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## LATE FOREIGN DEVELOPMENTS . . .

### ARGENTINE GRAIN SEEDINGS PROGRESSING

Seeding of wheat and other small grains is progressing favorably in Argentina, according to recent reports. Trade sources are now forecasting the wheat acreage at about 10 percent above the 1943 area. If that acreage were achieved it would place the sown area at the highest level since 1938-39. Moisture supplies are said to be very satisfactory over most of the country.

### DROUGHT BROKEN IN HAITI

The most severe drought experienced in Haiti for years was broken by heavy rains throughout most of the country at the end of May. Export crops such as corn and rice were reported to have been damaged by lack of rainfall. Rising food prices were attributed to crop damage sustained.

### PERUVIAN RICE CROP LARGER THAN EARLY FORECAST

The 1944 rice crop in Peru, estimated as of May 15, is larger than the first official estimate. Production, now placed at 6,800,000 bushels, is 29 percent above the 1943 crop of 5,265,000 bushels and is substantially greater than the average for the 5-year period, 1938-1942, of 5,611,000 bushels. The large crop this season, harvested primarily from May to August, should about equal requirements for one year. The sum of \$185,000 has been allotted for rice production in the Tumbes area in northern Peru.

### ARGENTINE SUNFLOWER SEED AND PEANUT PRODUCTION

The second official estimate for 1944 sunflower-seed production in Argentina is 2.4 billion pounds compared with an earlier estimate of 2.6 billion. Peanut production has been revised upward to 439 million pounds. The April forecast was 418 million pounds.

### SCARCITY OF BEEF IN HABANA CONTINUES

The supply of beef in Habana continued scarce at the end of May, despite the subsidy granted on cattle for slaughter in the city and the virtual abandonment of price-ceiling enforcement. As a consequence, prices of poultry, fish, and other substitutes rose to prohibitive levels. Pastures at the end of the month were extremely bad and cattle in poor condition. The Decree of April 19, effective April 24, 1944, suspending for 120 days all further slaughter of beef for export to agencies of the United States Government remains in force. The export of beef, except that authorized by the Government under agreements with the Allied Nations, was prohibited by Resolution 124, dated June 29, 1943.



## IRELAND'S GRAIN PROSPECTS FAVORABLE

The condition of grain crops in Ireland is generally good, though parts of the late-sown grain show uneven growth and some insect damage, according to recent reports. The acreage seeded to wheat is said to be little larger than the seedings of 509,000 acres reported for 1943, which would fall considerably short of the Government's goal of 700,000 acres. Some increase was reported, in spring wheat, with the fall-sown acreage showing little change from that of last year. The barley acreage is also indicated to be about the same as in 1943.

The Government's announced acreage goals for the 1944 crop, based on the grain requirements of the country, seem unlikely to be fully achieved. The main factors limiting the desired expansion are said to be scarcity of fertilizer and the labor shortage. A shortage of high quality domestic seed wheat in the fall of 1943 was remedied through the importation of Manitoba wheat from Canada, to supplement the home-grown seed. Supplies of high quality oats and barley for seeding were reported to be adequate.

Weather conditions were mostly favorable during the winter, and fall-sown grain came through the season in generally good condition despite some insect damage, especially in late-sown fields. The weather favored spring sowings, and wheat seeding continued to the end of April. Early sowings made good progress, and good results were reported from areas seeded to Manitoba wheat. Later sowings were reported to be more variable, with some thin and patchy crops resulting from dry weather and insect damage. Some reseeded was reported where damage had been especially severe.

Though commercial fertilizer supplies continue to be short, increased use of farmyard manures and composts is said to have relieved the shortage to some extent. Green manuring is also coming into more general use, with good results reported. Arrangements have been made for the manufacture of a new fertilizer containing 15.5 percent nitrogen, according to an announcement of the Department of Agriculture in April. It is said to be similar in fertilizing value to nitrate of soda and may be substituted for it or for sulphate of ammonia. The price of the new product has been set at £20 per ton f.o.b. nearest railway station.

The 1943 grain outturn was well above average, according to data received recently. The wheat crop, though 27 percent larger than the 1938-1942 average, was somewhat smaller than the record crop reported for the preceding year. Oats and barley were indicated to be at record levels for those crops. The reduced wheat crop, compared with 1942, was reflected in the introduction of barley into the bread beginning December 13, 1943. The 100-percent extraction used previously had been found unsatisfactory and the rate was cut to 85 percent, and at the same time an admixture of 15 percent of barley was adopted. The use of barley to supplement the reduced flour rate was expected to prevent an increase in the wheat import requirements.

IRELAND: Grain acreage and production 1938-1943

YEAR	WHEAT	OATS	BARLEY	RYE
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
ACREAGE				
1938 .....	230	570	118	2
1939 .....	255	537	74	2
1940 .....	305	681	132	3
1941 .....	463	782	163	3
1942 .....	575	878	186	4
Average .....	366	690	135	3
1943 .....	509	936	209	5
PRODUCTION	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1938 .....	7,398	39,133	5,142	53
1939 .....	9,531	37,776	3,444	52
1940 .....	11,680	50,708	6,482	83
1941 .....	16,255	47,910	6,670	90
1942 .....	19,097	53,763	8,039	131
Average .....	12,792	45,858	5,955	82
1943 .....	16,240	55,720	8,773	160

From official and unofficial sources.

Prices to producers have been fixed for grain of the 1944 crop. The price for wheat of good quality has been announced at 55 shillings per barrel of 280 pounds (\$2.38 per bushel). At that rate the return to growers would be 5 shillings per barrel (\$0.22 per bushel) more than in 1943. The price for barley has been fixed at the same price as in 1943, 35 shillings per barrel of 224 pounds (\$1.51 per bushel). The market for oats is not controlled.

### CANADA HAS GOOD PROSPECTS FOR GRAIN

Crop prospects were reported to be excellent in the principal grain areas of Canada at the end of the first week in June. Timely rains were received in the Prairie Provinces, and conditions were said to be generally good, with only a relatively small area still suffering from inadequate moisture. In Manitoba heavy rains were received over widespread areas, and crops were said to be making rapid growth.

Seedings of wheat and coarse grains are practically completed in Saskatchewan and are making good progress, except in the southwest. Heavy rains were reported in many areas of Alberta, but moisture is still deficient in the southern part of that Province. The general grain outlook there is promising, according to reports. Conditions in British Columbia are also generally favorable. Excellent growth is reported, with above-average prospects for Ontario except in the eastern part where, however, prospects are now said to be promising as the result of recent rains. In Quebec, prospects are also favorable following the rainfall.

## VEGETABLE OILS AND OILSEEDS . . .

Fred J. Rossiter, in charge

### MEXICO SELF-SUFFICIENT IN VEGETABLE OILS; DEFICIENT IN ANIMAL FATS <sup>1/</sup>

Mexico's total supply of vegetable oils for 1944, derived mostly from 1943 domestic crops, is estimated at the record level of 125,000 short tons, a figure believed to be sufficient to meet all domestic requirements of vegetable oils. A shortage of hard oils for soap manufacture and other industrial uses still exists, however, and must be met in part by a substitution of the more plentiful soft oils, i. e., cottonseed, sesame and peanut.

Mexican oilseed plantings in 1943 were 125,000 acres greater than the previous record of 1,553,000 acres in 1942. The increased areas, however, did not result in a comparable increase in production because of damage from drought and Pacific Coast storms. Contrary to earlier predictions, the surplus available for export in 1944 now is expected to be negligible. The changed export picture is attributed in part to unexpectedly low yields in 1943 and in part to increased per capita consumption of vegetable oils in Mexico. Loss of former sources for copra in the Southwest Pacific constitutes the only serious shortage in the vegetable-oil field.

Total available supplies of animal fats and oils in 1944 are tentatively estimated at 73,000 short tons, or only slightly more than in 1942. Domestic production of animal fats followed an upward trend prior to 1943, but did not keep pace with the rise in consumption. In view of a continued shortage of feed grains the domestic production of animal fats in 1944 is not expected to exceed the 1943 level of about 60,000 tons. Increases in population and improved standards of living have made necessary the importation of increasing quantities of lard since 1935. With United States export restrictions on lard temporarily removed on May 15 it is expected that Mexican imports in 1944 will exceed all previous records. Imports of tallow showed a sharp increase after 1941 when copra imports were cut off. Minimum import requirements for lard, tallow, and related products for 1944 are placed at 20,000 to 25,000 short tons.

In April 1942, the Mexican Government announced the adoption of a number of measures to check inflation. Included among them were wholesale and retail ceiling prices for a number of food products. Lard was the only product in the fats-and-oils group for which such price control was ordered at that time. No attempt was made to regulate and control prices of vegetable oils and oilseeds until August 2, 1943, when ceiling prices were established for all vegetable oils, oilseeds, meals, and cakes. Thus far, however, they have proved to be rather ineffective because of a lack of adequate means of enforcement. The sharp rise in prices of vegetable oils and oilseeds in 1942 and 1943 was considered desirable and effective in stimulating increased production. That stimulant has been partly offset in 1944, however, by a general price rise, which has placed most other food commodities on a competitive basis with oilseeds. Some diversion of producers' attention to other commodities, particularly grains, is evident this year as a result of price adjustments on the domestic market. This development is expected to prevent any appreciable increase in acreage planted to oilseeds.

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<sup>1/</sup> A more complete report on Mexico's oilseeds, including minor seeds not mentioned in this report, is planned for release in the near future.



## MEXICO: Production of vegetable oilseeds and animal fats, 1931-1943

YEAR	SESAME	COTTON-- SEED	PEANUTS	FLAX-- SEED	COPRA	CASTOR	PALM NUTS	LARD	TALLOW
	Short	Short	Short	Short	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons	tons	tons	tons	tons
	:	:	:	:	:	:	:	:	:
1931	16,613	96,911	5,186	1,918	15,901	-	4,409	20,919	27,091
1932	17,432	45,174	5,519	4,548	17,889	1,176	4,409	20,776	27,152
1933	13,846	116,310	5,693	1,976	17,480	995	4,189	20,562	27,442
1934	16,045	105,344	7,989	1,833	17,137	1,534	3,858	22,964	29,599
1935	20,822	138,914	8,896	1,928	16,574	1,591	2,756	25,375	30,496
1936	27,624	177,938	10,261	3,123	19,801	2,629	2,756	26,767	31,937
1937	29,593	148,772	12,200	3,778	18,913	2,929	2,756	26,139	33,629
1938	28,339	129,579	13,203	2,388	23,467	3,237	3,307	26,021	32,746
1939	36,592	131,612	16,523	4,279	20,072	3,461	3,307	26,396	33,418
1940	38,309	121,132	22,713	3,456	19,973	3,789	3,307	27,500	33,095
1941	64,731	151,233	22,797	8,763	22,000	5,603	3,858	30,404	32,293
1942	96,124	187,543	34,434	32,563	27,332	8,384	6,393	32,133	31,927
1943 a/	87,045	209,437	85,781	32,065	32,168	12,244	7,165	29,762	29,817

Compiled from a report received from the American Embassy, Mexico.

a/ Preliminary estimate.

**SESAME** Production of sesame seed has increased sharply since 1941 and this seed is now the leading source for vegetable-oils produced in Mexico. The 1943 crop of 87,000 short tons was somewhat less than the record crop of 96,000 tons harvested in 1942 and much below the 122,000 tons previously forecast for 1943. Farmers were encouraged through attractive prices and publicity programs to expand sesame acreage in 1943. The increase amounted to only 4,500 acres, however, and was more than offset by drought that caused a reduction in yields.

Sesame oil is normally used entirely for edible purposes in Mexico, but in 1942, about 20 percent of the total output is believed to have been consumed by the soap industry. The percentage used for this purpose may have been even larger in 1943.

Production is concentrated mainly on the West Coast, the principal producing States being Guerrero, Sinaloa, and Michoacan, where production in 1942 reached 27,000, 19,000, and 18,000 short tons, respectively. The State of Veracruz with a reported crop of 8,000 tons in 1942 is the only significant producing area on the east coast. Planting takes place during December-February for the April-June harvest and during June-July for the October-December harvest. Most of the harvesting and threshing is done by hand.

The outlook for sesame production is for a rather slow expansion. Prices have been favorable, ranging from around 800 pesos per metric ton (\$150 per short ton) early in 1943 to a high of 1,000 pesos (\$185) in June. Later in the year the price fell to 700 pesos (\$130). Prices in March 1944 were near the same level as those of a year ago and following the same upward trend that encouraged acreage expansion. The influence of favorable prices, however, is offset to some extent by lack of labor-saving machinery, inexperience on the part of many producers, and low yields in many places, all of which tend to raise the cost of production.



Exports of sesame seed and oil have been insignificant in past years, and in view of the shortage of soap fats they are not likely to rise appreciably in 1944. The record export total for sesame seed was 432 short tons in 1942, and for sesame oil, 1,164 tons in 1943.

**COTTONSEED** Cottonseed is second in importance among the vegetable oilseeds produced in Mexico. Production has increased steadily in recent years, but largely as a result of increased local demand and good prices for cotton rather than any special effort to meet a rising vegetable-oil demand. The 1943 record production of 209,000 short tons of cottonseed is expected to be slightly exceeded in 1944, provided growing conditions remain favorable. Cotton producers are encouraged by high prices for cotton and the strong demand for cotton goods locally and in the Central American market. A cottonseed production of at least 220,000 short tons (33,000 tons, oil equivalent) is anticipated in 1944.

Exports and imports of cottonseed oil have never exceeded 5,200 tons exported (1935) and 900 tons imported (1932) and have been negligible since 1936. Exports of cottonseed have been virtually nil for a much longer period. Imports of cottonseed normally range from 1,000 to 3,000 tons annually but represent almost entirely seed imported from the United States for planting.

Considerable quantities of cottonseed and other edible oils have been diverted to soap manufacture since 1941, when the outbreak of war in the Pacific cut off Mexico's highly important trade in copra. No significant quantities of cottonseed oil are expected to be exported until copra imports from the Far East are resumed.

Prices of cottonseed oil in recent years have followed the same trend as sesame and peanut oils. They increased rapidly from 1.30 pesos per kilogram (12.1 cents per pound) in January 1943 to 2.40 pesos (22.4 cents) in June, declined during the latter part of the year, and followed a sharp upward trend in recent months.

**PEANUTS** Peanut production also has increased considerably, rising from 5,000 short tons (in the shell) in 1930 to 34,000 tons in 1942, and 86,000 in 1943. (Estimates for the 1943 crop range from 51,000 to 119,000 tons.) Prior to the early 1930's the peanut crop was consumed almost entirely in the form of nuts rather than as oil. At the present time, consumption of nuts is believed to average around 11,000 tons, while about 2,800 tons will be needed for seeding the next crop. The oil that will be obtained from the remaining 72,000 tons, crushed mostly in 1944, is estimated at 18,000 tons.

The peanut area was increased from 77,000 acres in 1942 to 116,000 in 1943. A crop of 132,000 short tons was expected from that area. Damage by drought in some areas and by floods in others, however, resulted in lower average yields than expected. The State of Jalisco, on the southwest coast, accounted for about 33,000 tons, or 38 percent of the crop. Peanuts are grown in nearly all parts of Mexico, but commercial cultivation is concentrated in the south central States near Mexico City.

Spanish-type peanuts compose the bulk of the crop. Sandy loam soils at elevations of 3,000 to 6,000 feet appear to be the most suitable areas in Mexico. While peanuts are planted and harvested in various parts of the country throughout

most of the year, the bulk of the crop is planted in June and harvested in October and November. Yields average about 800 pounds per acre but range from 450 to 1,350 pounds.

Peanut oil is becoming popular in Mexico for use in the manufacture of vegetable shortening and oleomargarine. Approximately 15 percent of the 4,500 tons extracted in 1943 is reported to have been consumed by soap industries. In view of the increasing shortage of hard oils and fats normally used for soap making, the quantity used for that purpose may reach as high as 20 percent in 1944.

Import and export trade in peanuts and oil have been insignificant in past years except for exports of about 4,000 tons of peanuts (presumably in the shell) in 1943. No significant export trade is expected so long as hard oils remain in short supply.

Peanut oil prices averaged 1.28 pesos per kilogram (11.9 cents per pound) in January 1943; 2.27 pesos (21.2 cents) in June; 1.55 pesos (14.5 cents) in September, and 1.72 pesos (16.1 cents) in February 1944. These prices were attractive to producers in 1943, but because of a general price rise, other commodities are equally as attractive at the present time.

**FLAXSEED** Mexico's production of flaxseed was insufficient for domestic needs until 1942 when a crop of 33,000 short tons was harvested, as compared with a previous record of 9,000 tons in 1941. The 1943 crop was nearly equal to that in 1942, from which a surplus of 14,000 tons was exported in 1943. Exports of flaxseed in 1944 may not exceed half of the 1943 total.

Before the present war, about two-thirds of the annual crop was produced in the State of Jalisco on the lower Pacific Coast, and exports were insignificant. The sharp increase in production in 1942 occurred almost entirely in the State of Sonora in northwest Mexico, which accounted for 24,000 tons, or 75 percent of the total harvest that year. This increase was stimulated largely through contracts placed directly with producers by United States Pacific Coast vegetable-oil firms. As a result, most of the flaxseed produced in Sonora was exported to the United States. Flaxseed is usually planted in that State during November and December and harvested in April and May.

Prices offered by the United States firms in 1942 and 1943 were governed by the United States ceiling prices, which in those years were higher than the prices offered in Mexico for wheat and rice, the strongest competitors for the acreage planted to flaxseed. Mexican prices for flaxseed have now risen to around 550 pesos per metric ton (\$103 per short ton) as compared with 400 pesos (\$75) early in 1943. Domestic prices for wheat and rice also have increased in recent months. As a result, some producers may turn back to wheat and rice this year, and higher prices may attract a larger proportion of the next flaxseed crop to the domestic market. Small but increasing quantities of linseed oil are being used in the manufacture of soap. Moreover, United States firms operating within the ceiling in this country cannot compete with the higher prices now being offered for flaxseed in Mexico. Consequently, a decline in production to as low as 20,000 tons is expected in 1944.

**COPRA** Production of copra from coconuts grown in Mexico has nearly doubled since 1930, but the record 1943 production, estimated at 32,000 short tons, still represents only 40 to 50 percent of normal requirements. Considerable interest was developed in this industry when the Government imposed an import duty on copra several years ago in order to encourage domestic production. The incentive to plant additional trees, however, was partly curbed later by the imposition of state and local taxes on producers and by impending threats of expropriation of land under the National Agrarian Laws. That situation now is reported to have been remedied to a large extent. The shortage of hard oils and the unusually high prices offered for coconut oil since the war began, have once more stimulated interest in planting trees. Copra production in 1944 is forecast at 35,000 tons, and a continued upward trend is in prospect as young trees planted in recent years reach bearing age. The principal areas of production are in the coastal lowlands on both sides of southern Mexico.

Coconut-oil consumption in Mexico rose sharply from about 13,000 tons in 1930 to around 64,000 tons in 1941. The increase was attributed to its increased use in the manufacture of soap and for edible purposes, mostly oleomargarine. Since 1941 when imports from the Pacific areas were cut off, coconut oil has been used almost exclusively for soap manufacture. The shortage of coconut oil was not felt seriously until 1943, because of the stockpiles accumulated by soap manufacturers in 1941 when imports of copra reached a record total of 99,000 tons. Normal imports ranged from 30,000 to 65,000 tons. Imports in 1943 amounted to only 1,000 tons of copra and less than 50 tons of coconut oil, obtained from Central America. No appreciable increase above these figures is expected under existing wartime conditions.

**CASTOR BEANS** Although still relatively unimportant in Mexico, castor-bean production increased from 1,200 short tons in 1932 to 12,000 tons in 1943. The 1944 crop may reach 20,000 tons. The recent sharp increase in production is attributed to the United States-Mexican trade arrangement of early 1943, under which the United States Government agreed to purchase up to 75,000 long tons of castor beans by May 1944 at \$75 per long ton at border points. While the agreement stimulated some increase, production still fell far short of the desired goal, due mainly to such factors as unfavorable weather; the fact that other oilseed crops offered more attractive profits; delay in completing market arrangements until late in the planting season; lack of machinery for large-scale cultivation; inexperience of producers; and the high risks involved.

Prior to the initiation of the castor-bean program, 80 to 90 percent of the crop was produced in the State of Oaxaca. Nearly all of the recent increase was derived from newly planted areas in Nayarit, Tamaulipas, Campeche, and San Luis Potosí, which accounted for more than half of the 1943 crop. Exports in 1944 are expected to be small despite the increase of 4,000 tons in production in 1943. Domestic prices in 1943 averaged about \$20 per ton above those offered by the United States Government. Wholesale prices at Mexico City late in April 1944 were equivalent to about \$111 per metric ton. Even if further increases in production are realized, they are not likely to be reflected in higher exports in the near future.

**PALM NUTS** Palm trees grow wild over widely scattered areas in Mexico. The actual production of palm nuts in 1943 was estimated at only 7,000 short tons compared with



an estimated potential production of 20,000 to 25,000 tons, depending largely on prices and availability of machines for cracking. The few machines in use have not proved to be satisfactory because of their inability to crack the nut without breaking a considerable portion of the kernels. This results in some loss in pieces of kernels. Moreover, acidity develops more rapidly in broken or bruised kernels. The use of palm kernels in Mexico is confined largely to the making of confectioneries and other edible items that require the kernel in whole or chipped form. Small quantities of oil are used as a lubricant and as an illuminant.

**LARD** Lard production in Mexico increased from a level of around 20,000 short tons during the 5 years ended with 1933 to a peak of 32,000 tons in 1942. The increase since 1934, however, has not kept pace with the increase in consumption. This is indicated by the steady rise in imports from 300 tons in 1935 to 11,000 tons in 1942. The shortage and resulting high prices of feed grains have been chiefly responsible for a slight decline in the 1943 production and in that indicated for 1944.

Prices of lard exceed those of most cuts of pork. Packers are thus encouraged to trim the fat closely, which tends to counterbalance the reduced weight of hogs now being placed on the market. Rendered lard with bits of meat scraps and a brownish color is generally preferred in Mexico to white refined lard. Consumption is increasing despite an apparent upward trend in consumption of vegetable shortening. Most of the slaughterhouses do not render lard but sell the entire carcass to meat shops. The latter trim off the fat and in most cases sell it to lard-processing factories.

**TALLOW** Production of tallow and animal fats other than lard has remained fairly constant between 27,000 and 33,000 short tons for more than 15 years. Production in 1944 is not expected to exceed the 1943 estimate of 30,000 tons. Very little tallow is rendered by the slaughterhouses. Most of the carcasses are sold intact to meat shops, where the tallow is trimmed and processed or sold to processing factories and soap manufacturers. Tallow obtained from cattle, goats, and sheep slaughtered on farms usually amounts to about 50 percent of that obtained from commercial slaughter. Most of this tallow is purchased at local concentration points by representatives of soap manufacturers.

Consumption of tallow has not changed greatly in the past 15 years, despite a sharp increase in population. Most of it is used by the soap factories, and demand has been stronger than ever since 1942 because of the shortage of hard vegetable oils. Imports of about 3,000 tons are needed in 1944 if soap supplies are to be maintained near present domestic requirements. Byproducts of tallow, such as oleo oil, oleo-stearine, and stearic acid, are not manufactured in Mexico and must be imported.

Recent reports indicate that 7,000 to 8,000 tons of imported tallow could easily be used in Mexico this year if supplies were available. Import demand is magnified by the present price situation. The delivered cost of tallow imported from the United States stood at 1.30 pesos per kilogram (14.9 cents per pound) in April and that from Argentina at 1.80 pesos (16.8 cents), while the price of domestic tallow at Mexico City was 2.35 pesos (21.9 cents).



MEXICO: Trade in principal animal fats and vegetable oils and oilseeds.

1937-1943

COMMODITY	1937	1938	1939	1940	1941	1942	1943 a/
	Short	Short	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons	tons	tons
Animal fats .....	4,917:	1,454:	318:	192:	468:	4,240:	4,716
Animal oils .....	300:	172:	142:	266:	185:	101:	237
Stearine .....	1,106:	928:	622:	776:	974:	1,144:	614
Lard .....	3,326:	3,057:	4,455:	10,384:	9,201:	11,394:	7,822
Lard compound .....	19:	3:	6:	6:	6:	10:	7
Copra .....	b/58,778:	b/40,290:	b/64,289:	b/73,077:	98,322:	14,276:	1,147
Coconut oil .....	1,046:	1:	22:	35:	36:	24:	29
Cocobutter .....	352:	420:	472:	-	-	-	-
Castor oil .....	30:	26:	24:	2:	6:	1:	1
Soap .....	91:	50:	63:	54:	-	-	-
Cottonseed .....	3,128:	1,624:	2,088:	1,032:	1,946:	1,636:	2,309
Peanuts .....	344:	c/	0:	28:	4:	920:	c/
Flaxseed .....	c/	0:	0:	c/	2,136:	c/	-
Sesame seeds .....	c/	0:	c/	18:	c/	c/	214
Vegetable fats .....	216:	96:	174:	92:	21:	30:	-
Palm oil .....	1,277:	1,143:	2,002:	2,466:	-	-	-
Linseed oil .....	751:	1,448:	207:	17:	30:	0:	17
Olive oil .....	1,421:	1,350:	1,534:	1,014:	400:	333:	-
Cottonseed oil .....	2,615:	11:	8:	8:	21:	c/	c/
Other vegetable oils :	426:	141:	124:	12:	158:	112:	-
EXPORTS :	:	:	:	:	:	:	:
Animal fats and oils :	51:	18:	3:	c/	-	-	-
Copra .....	332:	336:	c/	c/	8,106:	c/	0
Coconuts .....	22:	100:	66:	16:	-	-	-
Flaxseed .....	c/	0:	c/	59:	330:	328:	13,560
Peanuts .....	0:	c/	c/	c/	c/	588:	4,153
Cottonseed .....	0:	0:	0:	1:	0:	0:	130
Sesame seed .....	c/	354:	36:	28:	394:	432:	101
Cottonseed oil .....	0:	0:	c/	0:	1,254:	1,008:	1
Sesame oil .....	0:	0:	0:	2:	c/	c/	1,164

From official sources except for 1941-1943, for which period consular data were used.

a/ Preliminary. b/ Small coconuts included c/ Less than 0.5 ton.

## CHILE PLANNING TUNG OIL INDUSTRY

The Chilean Government has decided that the country is suitable for developing a rather extensive tung-oil industry. Plans are now being made to plant a number of experimental tung trees in central and southern Chile where climatic and soil conditions appear similar to those of the tung-oil-producing regions in various parts of China and along the Gulf Coast of the United States. The new planting will be made with seeds that have been received from the United States. From an economic standpoint it is realized that an industrial crop such as the nuts of the tung tree would be particularly valuable to Chile in a program to diversify and intensify agricultural production.

## DOMINICAN REPUBLIC'S TOBACCO PRODUCTION DECLINES: EXPORTS INCREASE

A severe drought in the tobacco districts of the Dominican Republic during the 1943-44 growing season has more than offset the effect of increased acreage resulting from heavy demand for leaf, high prices, and continued exports, and May 1 conditions indicated a crop far below normal. The crop has been forecast at only 6.6 million pounds compared with 20 million pounds in 1942-43. There are other indications, however, that with adequate rainfall during the remainder of the current growing season, the output may be more than doubled. Average production for the years 1937-38 through 1941-42 was 16.3 million pounds. Exports of tobacco from the Republic in 1943, principally to Spain and Spanish Morocco, amounted to 13.4 million pounds, compared with only 7.8 million pounds during the previous year. Average exports during the 5 years 1937-1941 amounted to 11.2 million pounds and were largely to European countries, now cut off by wartime conditions. There was practically no carry-over of leaf from the 1942-43 crop on hand for export as of January 1, 1944.

## CUBAN TOBACCO PRICE LAW STRENGTHENED

The Cuban Government on April 10, 1944, issued new decrees designed to strengthen minimum prices to growers of tobacco. These decrees give the National Association of Tobacco Growers the right to representation on the National Tobacco Defense Commission and a seat on the National Board of Agriculture, and one of them establishes an additional minimum price of \$15 per 100 pounds for unsorted, unbaled leaf, from which the stalks have been removed.

The earlier law established a minimum price of \$10 per 100 pounds for unsorted, unbaled leaf on the stalk, i.e., harvested by removing the leaves in pairs with part of the stalk still attached, and an average minimum run-of-the-crop price for each grower of \$20 per 100 pounds for sorted and baled leaf. In addition, a National Association of Tobacco Growers with compulsory membership for all growers was established, and tobacco buyers were asked to post bond to assure their compliance with the minimum-price law.

The March 1942 law was found to be virtually unenforceable, due to the natural law of supply and demand, and was suspended for a period of 90 days in the fall of 1942 to permit sale of 1941-42 crop tobacco. Demand was heavy, however, for 1942-43 crop leaf, and prices paid were generally above established minimums. The new decrees, attributed to influence asserted by the now powerful Growers Association, are expected to make the minimum-price law operative under all conditions.

## ARGENTINE TOBACCO PRODUCTION LARGER

The first estimate of the Ministry of Agriculture places the Argentine 1943-44 tobacco harvest at about 36.6 million pounds from a planted area of 45,714 acres, as compared with the 1942-43 production of 32.9 million pounds from 43,971 acres. Average production in the country during the 5 years 1937-38 through 1941-42 amounted to 35.1 million pounds from 39,296 acres.

# LIVESTOCK AND ANIMAL PRODUCTS . . .

Charles A. Burmeister, in charge

## PROPOSAL TO END BRITISH GOVERNMENT CONTROL OF LARD DISTRIBUTION

The British Lard Importers Association has proposed that the Government turn over the distribution of lard in the post-war period to the firms formerly handling this business. This return of the function of distribution to private firms would necessarily be gradual.

British importers of other packing-house products, particularly bacon, are also showing interest in the organization that may be set up for the distribution of imported bacon after the war. Imported bacon has been distributed during wartime on the basis of the pre-war volume of business of the firms engaged in the trade. This policy has left a large share of the bacon trade in the hands of firms importing from continental countries, as the bulk of the pre-war imports were from the Continent, principally Denmark. Wartime imports, however, have been mainly from the Western Hemisphere - that is from the United States and Canada.

The United Kingdom is traditionally the most important foreign purchaser of United States lard, although Germany held this position for a few years following World War I. During the 5 years preceding the present war (1934-1938), the United States furnished an annual average of 124 million pounds of lard to the United Kingdom, or 63.3 percent of Britain's import requirements. This was a considerable reduction from the 5 preceding years 1929-1933, when the United States supplied 85.5 percent of such requirements. The proportion supplied by the United States increased again in 1939 to about 85 percent of total lard imports into the United Kingdom.

UNITED KINGDOM: Lard imports from the United States, with percentage of total imports, 1929-1939

YEAR	FROM UNITED STATES	TOTAL	PERCENTAGE UNITED STATES OF TOTAL LARD IMPORTS
	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>
1929 .....	253	294	86.0
1930 .....	243	281	85.6
1931 .....	231	285	81.0
1932 .....	237	272	87.1
1933 .....	281	323	87.0
Average .....	249	291	85.5
1934 .....	291	314	92.7
1935 .....	65	171	38.0
1936 .....	66	170	38.8
1937 .....	74	165	44.8
1938 .....	123	162	75.9
Average .....	124	196	63.3
January-August			
1938 .....	89	114	78.1
1939 .....	117	138	84.8

Compiled from official sources.



The reduction in exports of United States lard to the United Kingdom in 1934-1938 was due to decreased hog production in this country and the resulting higher level of lard prices, which caused the United Kingdom to turn to other sources for a larger share of its lard requirements than normally. In the late pre-war years, Canada ranked next to the United States in importance as a supplier of lard to the United Kingdom. Increased quantities were also imported from South American countries, especially Argentina and Brazil, although these imports were relatively small. The large expansion in hog production in Canada and Argentina during wartime may result in more active competition from these countries in the United Kingdom market in the post-war period.

The United States supplied only a very small proportion of Britain's imports of cured pork products in the 5 years preceding the war, or a little over 5 percent. Denmark alone supplied 47.8 percent, and other continental Europe 20.7 percent. Empire countries, other than Canada and Ireland, supplied very little cured pork but contributed a fairly substantial quantity of the frozen pork imported. Imports of frozen pork, however, accounted for only about 13 percent of total pork imports, whereas cured pork represented about 83 percent.

UNITED KINGDOM: Imports of cured pork from specified countries

COUNTRY	1934	1935	1936	1937	1938	AVERAGE 1934-1938	PERCENTAGE OF TOTAL
	Million: pounds:	Million: pounds:	Million: pounds:	Million: pounds:	Million: pounds:	Million: pounds:	Percent
Denmark .....	480	429	378	384	380	410	47.8
United States .....	58	49	39	36	49	46	5.4
Canada and Ireland:	163	178	213	249	231	207	24.1
Other countries ...	232	196	181	182	184	195	22.7
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
Total .....	933	852	811	851	844	858	100.0
	:	:	:	:	:	:	:

Compiled from official sources.

BRAZIL ALLOTS COTTONSEED CAKE TO LIVESTOCK MEN

The Brazilian Coordinator of Economic Mobilization has ordered that 154,000 short tons of the annual production of cottonseed cake be reserved for agriculture and cattle, allotted as follows: 55,000 tons for agriculture, 55,000 tons for cattle fattening, and 44,000 tons for dairy cattle. This is a reduction of 28,000 tons below last year's quota of 182,000 tons.

A uniform price of 0.19 cruzeiro per kilogram (0.44 cent per pound), f.o.b. Sao Paulo factory, plus packing, was also established. Many livestock men are dissatisfied with the present quota, as well as with the increase in price. It has been only within the last year or two that livestock and dairy men in Brazil have found that cottonseed meal and cake are excellent livestock feeds. Last year they were relatively the cheapest feeds on the market, costing only 0.18 cruzeiro per kilogram (0.42 cent per pound) whereas corn sold for 1 cruzeiro per kilogram (2.3 cents per pound).



## GENERAL AND MISCELLANEOUS . . .

### WEATHER AND CROP CONDITIONS ABROAD

The following summarizes available reports on weather and crop conditions in specified countries during April and May.

**UNITED KINGDOM** Reports received the latter part of April stated that for sometime rainfall had been below normal in eastern and southern England and in some Midland counties. Taken as a whole, growing crops were not materially affected by the dry weather, although in some areas rain was badly needed. In general, prospects for autumn-sown crops were favorable.

**THE BALKANS** In early May spring seeding in Rumania was reported as being delayed by cold weather. In Bulgaria winterkill was said to be light and crops in **AND TURKEY** favorable condition at the end of May. In Turkey weather during the latter part of May was wet and cool, but a large crop of wheat was expected.

**SPAIN** In early May the wheat crop was reported to have improved somewhat, but more moisture was still needed in some sections.

**SOVIET UNION** During the latter part of April, spring sowing had started in the Saratov, Kuibyshev, Chkalovsk, Ivanovo, Tula, and Semipalatinsk districts. Spring was backward in the Ukraine, but much sowing and plowing had been completed. Winter wheat and spring grain were reported in good condition in the Stavropol section. The outlook for both grain and cotton in Tadzhikistan had been improved by rainfall. Because of an early spring, field work had started in good time in Siberia.

**CANADA** Spring seeding in Canada at the end of April was well in advance of that on the same date a year ago, particularly in the Prairie Provinces. Snowfall was light in the west during the past winter, and the month of April was unusually dry. This enabled farmers to proceed rapidly with the planting of new crops. Seeding was less advanced in British Columbia, where wet weather in April delayed operations. In Ontario, cool April weather retarded work on the land. Work in Quebec and in the Maritime Provinces was backward in some areas. Good rains were needed in all districts of Quebec. The weather in April was generally cold in the Maritime Provinces with severe frost at night. A fall of snow was reported on Prince Edward Island on April 25. The weather turned warmer in the first few days of May, and fair progress was made in the planting of this year's crops. It was feared that the ice, which had covered many fields, might cause considerable damage to grass and clover crops. Reports from New Brunswick state that the rivers and streams were almost at summer level in the first week in May.

**MEXICO** Weather conditions throughout the northern half of the country during April were extremely variable, some districts reporting cool, cloudy weather while others immediately adjoining reported hot, dry weather. For the most part, however, there was an absence of rainfall in Laredo, Matamoros, Chihuahua, Monterey, San Luis Potosi, Reynosa, Tampico, and Veracruz. In the central States, planters were anxiously awaiting the arrival of the rainy season, which normally starts during the month

of May. Growers were busy preparing the soil for corn and beans. The southern States, from the Isthmus of Tehuantepec to the Guatemalan border and east to Yucatan and Quintana Roo, reported normal hot and dry weather for April. Tapachula on the Guatemalan border, reported three hard rains, but these brought only temporary relief from the high temperatures.

**CUBA** For the second year in succession, Cuba experienced a winter of extreme drought. From December 1 to May 1, the rainfall averaged only 4 inches as compared with a normal of about 10 inches. The drought was particularly severe on the eastern end of the island, where rainfall averaged about 30 percent of normal, and in many areas there had been no rain since December 1. While the drought facilitated the sugar harvest and resulted in relatively high sucrose yields, it brought about a very severe shortage of pasture. In addition, it interfered with the preparation of the land for spring crops, particularly corn and peanuts.

**HAITI** Widespread drought continued until nearly the end of April, badly damaging food crops. Bananas, coffee, and sisal were hit particularly hard.

**ARGENTINA** Rains in April did not interfere with normal field work in Argentina except in the flooded zones of southwestern Buenos Aires, where rainfall had been excessive. At the end of May moisture supplies were reported as satisfactory practically everywhere. The seeding of wheat and other grains was progressing favorably. In Brazil, about the middle of March the rains ceased over the entire State of São Paulo and northern Paraná. Since that time, cotton has matured rapidly, and in many areas picking is underway.

**PARAGUAY** At the end of February, crop prospects were reported as favorable, although the high hopes previously held were somewhat tempered by the fact that little or no rain had fallen for some time. Damage from drought up to March 1 was not considered as irreparable, but it was stated that unless abundant precipitation occurred soon much damage would result to the second cotton crop, the second peanut crop, and the all-important sugar crop.

**MOROCCO** Following rains in early April, prospects for the new cereal crop were reported as average or better. This condition, however, was materially changed by an unseasonably hot dust-laden sirocco, which began on May 2 and continued until May 5. It covered a large part of the Protectorate, particularly from Mazagan north. On May 7 a wind and dust storm swept through the Rabat, Melnes, and Fez districts, uprooting telegraph poles and trees and flattening grain crops. The hot winds caused growing grain, particularly wheat, either to ripen and fall or to expand into a hollow shell without substance. This heavy wind and dust storm completed the damage done by the sirocco. While complete reports were not available, press reports indicated that the loss to the wheat crop would be heavy.

**BRITISH EAST AFRICA** Drought conditions, which had prevailed for several months, continued through February. Some showers were reported toward the close of the month, and by the middle of March a fair amount of rain had fallen in most areas. For the most part, however, the weather was hot and dry throughout Kenya, Uganda, and Tanganyika. Due to the continued drought, Lake Naivasha, the only fresh-water lake of

any size in the Kenya highlands, is reported to have fallen 18 feet since a survey made in 1928. The water level in Lake Victoria, that large inland sea, has also fallen so much that the railway has had to extend some of the lake steamer piers.

**AUSTRALIA** By the end of May moisture conditions had improved but some sections still needed additional rains.

### MEXICAN 1944 PRODUCTION OF VANILLA BEANS LOWER

Due to continuous drought in the State of Veracruz, the 1944 crop of vanilla beans in Mexico is forecast at only about 125,000 pounds of cured beans, as compared with a 1943 production of between 300,000 and 350,000 pounds and the 1942 crop of 225,000 pounds. Average production during the 5 years 1937-1941 amounted to 268,000 pounds from 11,176 acres.

Total exports of vanilla beans from Mexico in 1943, including substantial quantities from the 1942 crop, amounted to 438,000 pounds, as compared with 1942 exports of only 146,000 pounds. Annual exports during the period 1935-1939 averaged 292,000 pounds, of which about 287,000 pounds were destined to the United States, representing about one-fourth of United States total imports. Most of the remaining United States imports were from Madagascar and French Oceania.

### CANADIAN HOP IMPORT REQUIREMENTS REDUCED

Hops used by Canadian brewers dropped from 3.7 million pounds in 1942 to 3.2 million pounds in 1943. A further decline, especially in the quantity imported, is indicated for the current 1944 season. The decline in import requirements is in part due to a somewhat larger hop crop in Canada in 1943 and also to the limited quantities of malt available for use.

On March 13, 1944, the Dominion Government removed its 90-percent limitation on beer production and sale for civilian use in Canada. No material increase is expected in beer production, however, until at least August, due to a scarcity of malt, and malting facilities. Present malting facilities are expected to be expanded, and in the meantime, substitutes for barley and malt are expected to be used to some extent. Any increase in the rate of beer production is reported likely to be in the production of barreled beer because of the scarcity of bottles, caps, and cartons. In 1942 only 31 percent of the beer produced was in barrels as compared with 69 percent in bottles.

Canadian imports of American hops have been unusually large during the war years because, (1) European hops were not obtainable, (2) brewers' total requirements were sharply increased, (3) the Canadian crop was small in 1942, and (4) the virtual discontinuance of Canadian exports of hops has had little effect on the domestic supply position. Importations occur chiefly during the early months of the crop year beginning October 1. Net importations rose from 0.4 million pounds during the crop year 1939-40 to 1.4, 2.3, and 2.4 million pounds in each of the succeeding crop years. During the current season a significant reduction is expected.

